



Legislative Fiscal Bureau

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October 11, 2013

TO: Senator Alberta Darling, Senate Chair
Representative John Nygren, Assembly Chair
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Property Tax Bill Re-Estimates Under Proposed School Aid Increase

On October 8, 2013, this office released re-estimates of property tax bills under 2013 Wisconsin Act 20. On October 10, Governor Walker issued Executive Order #117 calling a special session of the Legislature to provide "property-tax relief by increasing state aid to school districts." Governor Walker's proposal would increase the general school aids distribution by \$40 million in 2013-14 and \$60 million in 2014-15.

The following table provides property tax bill estimates under current law and under the Governor's proposal. The estimates are for a median-valued home that is taxed at statewide average tax rates.

Tax Bill Estimates for a Median-Valued Home Taxed at Statewide Average Tax Rates Under Current Law and Under Proposal to Increase School Aids

	<u>Final</u> <u>2012(13)</u>	<u>Current Law (October Re-Estimates)</u>	
		<u>2013(14)</u>	<u>2014(15)</u>
Home Value	\$151,148	\$148,000	\$151,000
Tax Bill	\$2,943	\$2,938	\$2,974
Change Over Prior Year			
- Amount		-\$5	\$36
- Percent		-0.17%	1.23%

	<u>Final</u> <u>2012(13)</u>	<u>Proposed School Aid Increase</u>	
		<u>2013(14)</u>	<u>2014(15)</u>
Home Value	\$151,148	\$148,000	\$151,000
Tax Bill	\$2,943	\$2,925	\$2,954
Change Over Prior Year			
- Amount		-\$18	\$29
- Percent		-0.61%	0.99%
Change to Current Law		-\$13	-\$20

The preceding amounts are based on estimated property tax levies. Local governments have already begun determining their 2013(14) tax levies and will officially adopt their levies in the coming months. Consequently, the preceding estimates will most likely change as actual levy data becomes available. Also, it is important to note that the estimates in this memorandum are for the state as a whole. Tax bill amounts and changes in tax bills in individual municipalities could vary considerably from the preceding estimates.

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cc: Members, Joint Committee on Finance